

INFORMATION BULLETIN # 50

SALES TAX

DECEMBER 2002

(Replaces Information Bulletin #50 dated October 1994)

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SUBJECT: SALE OF GOLD, SILVER OR OTHER METAL ALLOYS

REFERENCES: IC 6-2.5-3-5; IC 6-2.5-4-1; 45 IAC 2.2-4-1

I. APPLICATION OF SALES TAX

Persons who are occupationally engaged in the selling of gold, silver, or any other metal or alloy such as bullion, bars, ingots, or in any other shape, size, or condition in Indiana are required to register as Indiana retail merchants and collect and remit Indiana sales tax on such transactions.

The sale of gold or silver bullion or any other tangible personal property that is delivered to a point outside Indiana is not subject to Indiana sales tax.

The sale of gold or silver bullion either stored or arranged to be stored in Indiana is subject to Indiana sales tax, regardless of whether the buyer is identified as the owner of the particular gold or silver sold. Further, the sale is subject to tax if the gold or silver sold is stored in Indiana in anticipation of later exchanging or substituting it to discharge an obligation.

II. APPLICATION OF USE TAX

The storage, use or consumption in Indiana of gold, silver, and other alloys and metals purchased in a retail transaction, wherever located, is subject to the use tax.

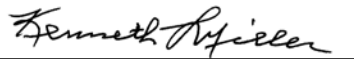
A credit for sales tax due and paid in another state may be taken for up to the amount of Indiana use tax due.

III. LEGAL TENDER

The use of metal coins (which are legal tender of the United States) given in exchange for goods or in payment of debts is not considered selling at retail, provided the value assigned to such coins in the transaction is not more than the face value of the coin. The sale of coins or currency for more than face value is considered selling at retail and subject to the collection of Indiana sales tax.

IV. POSTAGE STAMPS

The sale by a retail merchant of canceled postage stamps, or the sale, for more than face value, of uncanceled stamps is a retail sale and subject to Indiana sales tax in the same manner as gold, silver, and other alloys and metals.



Kenneth L. Miller
Commissioner